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SIPDIS

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SUBJECT: PANAMA: TAKING IT TO THE STREETS

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SUMMARY  
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¶1. (U) Panamanians regularly take to the streets to protest a wide array of social and employment grievances. These protests mire city residents, who already spend hours in traffic due to the outdated road network and poor transit system, in horrendous traffic jams for hours. More often than not, these protests are successful as public officials respond with concessions. Despite the inconvenience, these protests are a part of Panamanian life and widely accepted as a way to have one's grievances heard.

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Getting things done the Panama way  
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¶2. (U) Panamanian citizens enjoy a strong culture of freedom of expression in which they take to the streets on a weekly, sometimes daily basis, to protest. The typical modus operandi for protestors is to block main transportation arteries during rush hour in order to call public attention to their grievances. The refusal by the Panamanian National Police (PNP) to intervene, even by moving demonstrators to the sidewalk, ensures that even a group of 4-7 protestors can effectively hold the city's commuters hostage. The near-constant disruption of an already overburdened transportation system results in paralysis of normal daily traffic in Panama City, where no more than five major arteries carry a majority of traffic flow and village-like traffic patterns that are squeezed by constant construction projects. These roads do not allow a driver to easily "go around the block" to avoid congestion and alternate routes are non-existent. A major source of daily irritation and frustration for Panamanians of all social classes is the dilapidated road and street system, which hangs by a thread and can be brought to a city-wide halt by three protesters. In Panama's interior, protestors use similar tactics to close down the Inter-American Highway or the Panama City-Colon Highway, creating traffic jams that extend for miles and take hours to clear up.

¶3. (U) Panamanians of all stripes protest on a wide variety of subjects. Topics and groups can vary from senior citizens demanding an increase in their social security payments to a neighborhood group calling attention to poor water or

electricity services in their area, to public employees such as teachers or firefighters demanding pay raises, to University of Panama students protesting against the cost of living or taking to the streets to support another organization's protest. Police authorities do appear at the site of impromptu protests, but, terrified at the prospect of being hit with abuse of force charges and accusations, they do not intervene as long as the protest remains peaceful, confining their duties to the alteration of traffic patterns around the protest site, if possible.

14. (U) More often than not, protesters get what they want. Government agencies and officials always respond publicly to the concerns being aired by protesters, regardless of topic. Additionally, protesters almost always can count on a meeting with a government official to air their grievances and usually, but not always, receive the promise of some kind of financial benefit. Some of the most common users of this model of social protest are public employees.

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Legal Strikes  
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15. (U) Labor law in Panama provides for a formal strike process that is overseen by the Ministry of Labor (MITRADEL). The formal process requires employees to formally file grievances with MITRADEL, which oversees a 15-day conciliation period (with an option of two 10-day extensions) before a legal strike can begin. In practice, this system is largely used by private companies and their unions to settle disputes about a collective bargaining agreement. Public employees also have the right to utilize this process. Their right is delineated in the Administrative Career Law, which states that "Public servants in general will have the right to: exercise the right to strike, in accordance with what is established in this law." (Article 135 of Law 9 of June 1994). However, in practice public employees do not use this legal method to settle grievances with their employers, instead preferring the more efficacious informal protest.

16. (SBU) According to statistics provided by MITRADEL, 25 legal strikes were declared in 2007. Of these, 21 were resolved by an accord between labor and management before the declared strike could take place. Four strikes did take place, of these, three were in the construction sector (including a widely publicized strike between SUNTRACS union and Pillar Construction in Bocas del Toro) and one was in the commercial sector.

17. (SBU) In 2008, 113 strikes were declared, and six took place, according to Rudolfo Stanziola, Director of Labor at the Ministry of Labor (MITRADEL) in an April 8 interview. (COMMENT: The large uptick in declared strikes can be attributed in Post's estimation to the worldwide inflation in food prices that took place in 2008 that eroded purchasing power of lower and middle class individuals worldwide.)

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Taking it to the Streets  
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18. (U) Described below is a sample of the public protest actions undertaken by groups with issues of concern in Panama in 2008-2009. (NOTE: The word "strike" as used in the following paragraphs should not be understood describe a legal process or status, as most, if not all, of these "strikes" are not legal under Panamanian law. However, the word is widely used to describe a situation where employees stop working and/or publicly protest.)

January 2009: A strike was called by the National Association of Administrative Officials of the Social Security Fund (ANFACSS), who demanded from their employer, the Social Security Fund (Caja de Seguro Social -- CSS) a \$300 productivity raise for all administrative employees, plus a \$75 monthly raise. The strike lasted 10 days, in which the two groups publicly and privately made offers and

counteroffers. CSS administrators finally agreed to a \$60 monthly salary raise beginning in June 2009 and an annual \$200 productivity bonus.

March 2009: A hunger strike was announced among inmates at the Public Prison in Chorrera protesting food quality, lack of medical attention and overcrowding. After one day, penitentiary officials agreed to address concerns of inmates.

March 2009: There were several protests at schools in Chiriqui and Coclé provinces on the first day of school by teachers demanding that school buildings be repaired immediately. In Colon, the Technical and Professional Institute teachers did not give classes to protest building conditions and the lack of equipment. Their protest lasted three days, after which they reached an agreement with provincial and education ministry officials. Also, Education Minister Castro agreed to meet with them in March to discuss their concerns.

Fall/Winter 2008: Throughout the fall and winter of 2008, protests were held weekly, sometimes daily, to demand the prosecution and removal from government of the then-Minister of Government and Justice. A series of investigative reports in the daily newspaper "La Prensa" accused the Minister of perpetrating a number of crimes during the military dictatorship, including the murder of a subordinate. In December, the attorney general charged the Minister with homicide, and shortly thereafter he was replaced by the President.

November/December 2007: More than 3,000 physicians (public employees) who were represented by the National Negotiating Medical Commission (COMENAL) struck for 39 days, demanding a 60% pay increase and a stop to any plans to privatize the health care system. Their employer, the CSS, eventually agreed to a 23% pay increase plus a productivity bonus that will be paid twice per year. In return, physicians agreed to make plans to recover thousands of medical appointments lost during the strike. CSS also assured the doctors that "the door remains closed" to privatization.

April 2008: Chilibre community residents closed the Boyd-Roosevelt Highway for several hours in one day to protest the fact that they had lacked drinking water for two weeks. National Aqueduct and Sewer System (IDAA) officials explained that the reason for lack of water was that pipelines were being repaired, and agreed to bring water trucks to the area until repairs were completed.

June 2008: A two-day, partial public transportation strike took place as bus owners and drivers demanded that the government increase their fuel subsidy and end the "Transmovil" transportation modernization project. Taxi drivers organized a caravan to the Presidential palace to demonstrate their concerns as well. University of Panama students in Panama City closed a major transportation artery for several hours to support the strike. In some areas, buses were forcibly stopped and passengers forced to disembark. Strikers set fire to tires on the roads. As a result, the Minister of Commerce and Industry announced that the government would increase the diesel fuel subsidy for the transportation sector to help it cope with rising prices.

July 2008: More than 650 guards at penitentiaries nationwide (Tinajitas, La Joyita, the Colon Public Jail, most of the guards at the women's jail, some at El Renacer, the Nueva Esperanza Minors Custody Center and the La Chorrera Public Jail) conducted a "hands down strike," demanding an increase in wages, increased security, a solution to personnel shortages as well as an increase in the quality of food and sanitation at the jails. Penitentiary System Director Luis Gordon reacted by admitting that there was a problem, and that his administration was promoting salary increases. He also asked the Finance Ministry for a special loan to deal with these issues and to hire more guards.

September 2008: More than 30 organizations from a variety of

sectors (transportation, education, health workers, physicians construction workers and university students, among others) participated in one-day a nationwide strike on September 4. The strike, which was organized by the National Front for the Defense of Social Rights (FRENADESO) demanded a general salary increase, a freezing of the basic food basket prices, lower fuel prices and to express objection with proposals to privatize the health sector, in addition to other more parochial concerns. In response, the Vice President claimed that the government was already taking corrective measures to address the stated concerns. He pointed out that during the Torrijos administration, employment had dropped to 6.7% and more than 80,000 new jobs had been created. He also noted that the Torrijos government had introduced the Compita program, which provides basic staple foods at low or no cost. Anticipation of the general strike was high, but as large numbers of Panamanian families chose to stay home, many businesses closed for the day and some government offices were closed, the impact was minimal. The coordinating organizations declared the strike a success.

April 2009: Workers for Estrella Azul (milk producers) struck for 8 days and received a salary increase of 35 cents per hour over the next 4 years.

February 2009: Physicians, dentists, nurses and paramedics employed by the Penal System suspended at the last minute a planned strike after reaching an accord with their employer, the Ministry of Government and Justice, who agreed to improve working conditions, increase the medical budget and recognize a new salary scale.

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